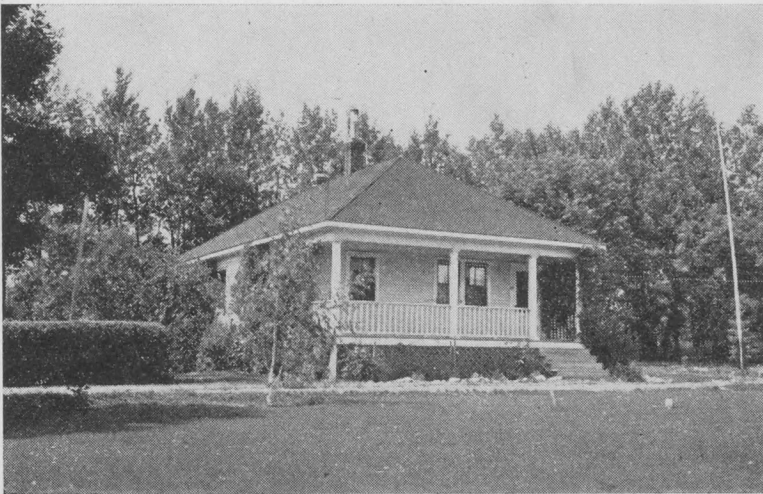




Twenty-Fifth
ANNUAL REPORT
and
FINANCIAL STATEMENT

Lethbridge Northern Irrigation
District



IRRIGATION MAKES THE HOME

1945



EX LIBRIS
UNIVERSITATIS
ALBERTENSIS

Prairie Provinces Collection

Lethbridge Northern Irrigation District

Report of the Official Trustee

Lethbridge, Alberta,
March 20th, 1946.

To the Water Users,
Lethbridge Northern Irrigation District.

I present herewith reports of the District Manager and the Secretary-Treasurer of the District, and the Provincial Auditor for the year 1945. These reports show the manner in which the business of the District has been carried on during the year 1945, the expenditures during the year, the financial standing of the District at the end of the year and the estimate of expenditures for the year 1946. It is hoped that these reports will be studied in detail as soon as possible so that any one desiring further information will be fully prepared to ask questions at the annual meetings, which will be held on April 9th, 10th and 11th.

As usual, there was not sufficient natural moisture in 1945 to produce good crops without irrigation. Help was, however, so scarce that only 54,716 acres, or a little over sixty (60) percent of the irrigable area, were irrigated. But, the yields on irrigated land were good and prices were very good. As a result, the farmers on the project did very well in 1945.

Sugar beets were again the outstanding money crop. The area planted in 1945 was 11,704 acres as compared with 11,214 acres in 1944. There was very little damage from pests or hail in 1945 but an early snowfall caught a few beets in the ground and made hauling of the last beets difficult. The average yield was 11.95 tons per acre as compared with 11.82 tons in 1944 and 12.92 tons in 1942. The total yield in 1945 was 132,499 tons as compared with 130,037 tons in 1944. The initial payment for 1945 beets was \$8.00 per ton which is 25 cents per ton higher than the initial payment in 1944. It is expected that the total price to the farmer will exceed the price for the 1944 beets which was \$10.92 per ton and totalled an average of \$129.07 per acre. The sugar content in 1945 was 16.932 percent which is a little lower than 1944.

In addition to sugar beets, there was the following specialized crops: 815 acres of peas, 162 acres of beans, 569 acres of corn, 95 acres of mustard and 182 acres of garden crops. Most of these did well but the canning factory can only take a limited quantity of some of the easier grown crops such as turnips and cabbage. Due to the shortage of labour, a small portion of the vegetables was destroyed by frost and snow before it could be harvested.

The area in hay and grain was about the average for recent years but due to the scarcity of labour, some of the land did not get irrigated and the total yield was down a little. There was not much hail damage to grain in 1945. Unfavourable weather hampered and delayed threshing but practically all grain was harvested and threshed.

Many farmers fed and finished livestock. Prices for the finished product were good and there was no difficulty in marketing. As in former years, there was a steady income for many farmers from dairy and poultry products.

The Colonization Manager reports that thirty-four additional land contracts were issued by him in 1945, making a total of 1,029 land and water right extinguishment agreements. One hundred and thirty-six (136) contracts were paid up in 1945 making a total of 514, or one-half of them, now paid up. This means that 50 percent of the purchasers on the Lethbridge Northern Irrigation District have paid for their land and water right and have no further capital payments to make. Many others are nearly paid up or have made substantial payments. The following table shows the standing of the contracts at the end of 1944 and 1945:

	1944		1945	
Total contracts	998		1,029	
Paid in full	378	38%	514	50%
Contracts 50% or more paid	180	18%	183	18%
Contracts 25% to 50% paid	181	18%	165	16%
Contracts less than 25% paid	258	26%	167	16%
Contracts nothing paid on principal	41	4%	25	2.3%
Total in arrears for interest	117	10%	94	9%
<hr/>				
Total in arrears for rates	71	7%	71	7%

This comparative statement shows gradual improvement. Fifty percent has already paid out and 34 percent has paid more than 25 percent of the contract price of land and water.

The Colonization Manager also reports that collections in 1945 were not as high as in 1944 due to the fact that there were fewer contracts to collect from and that a lot of the 1942 wheat was sold in 1944 because of the quota restrictions in 1942 and 1943. The following statement gives a summary of the collections in 1945:

Land and water right payments:

Principal	\$209,566.79
Interest	27,091.76
Irrigation rates	113,632.59
Current loans	234,870.90
Consolidated loans	4,882.69
Loans previous to 1945	826.44
Interest on loans	1,946.47
Revenue from leased land	7,466.92
Miscellaneous	113.45

TOTAL	\$600,398.01
-------------	--------------

Current loans outstanding at the end of the year amounted to \$3,-570.15 which will be collected from beet bonus cheques in 1946.

As a result of the provisions of the Provincial Debt Reorganization Act and the Lethbridge Northern Colonization Act, the District is now relieved of its debenture liability and now has a capital surplus of \$3,-374,254.00.

In addition, the exchange of Province of Alberta debentures for new debentures under the debt reorganization programme of the Province added \$31,435.93 to the maintenance and contingencies reserve and this together with \$5,000.00 paid out of current revenue, has increased this reserve to \$112,188.22. The sum of \$4,877.96 was added to the water commutation reserve and increased it to \$17,937.99. The revenue surplus was also increased by \$26,630.15 and now stands at \$54,463.07. Altogether the refinancing of the Province has improved the financial status of the District, very materially.

While the Auditor's report shows that revenue exceeded ordinary expenditure by \$9,166.33, it should be remembered that during the war years the works could not, because of the scarcity of labour and the difficulty of getting materials and equipment, be kept up to the pre-war standard and that extra expenditures will have to be made for a short time to bring the works back to their former high standard. New and better equipment is badly needed. There are also certain seepage claims that must be settled. Provision for these have been made in the District Manager's estimate of expenditures for 1946 and the amount required in 1946 is, therefore, over \$25,000.00 greater than the actual expenditures in 1945. After careful consideration and on the recommendation of the Advisory Committee, it has been decided to ask the Provincial Government's approval of a service charge of \$1.35 per acre in 1946.

All matters of importance pertaining to the management of the District and affecting the water users were fully discussed with the Advisory Committee, and I wish to again record my appreciation of the advice and assistance received from it.

I wish, in closing, to thank the staffs of both the Lethbridge Northern Irrigation District and the Colonization Branch of the Department of Water Resources for faithful and efficient service during the past year.

Please attend at least one of the meetings and bring your copy of the printed report with you.

Yours very truly,

P. M. SAUDER,
Official Trustee.

Report of the Advisory Committee

Lethbridge, Alberta,

March 12th, 1946.

To The Water Users,
Lethbridge Northern Irrigation District.

In 1935 you elected your first Advisory Committee. After ten years of continuous service, we are in a fair position to estimate the value of such an organization, so we thought it might be interesting to review some of the highlights of the past ten years.

Shortly after the Advisory Committee took office, the Ewing Commission was appointed and it became the responsibility of the Advisory Committee with the assistance of the farmers and officials of the District to prepare and present evidence, with the final result that we did get a substantial reduction but the interest rate was set at five (5) per cent, which we contended was too high. We made repeated representations to the Minister until finally in 1941 the interest rate was reduced to three (3) per cent, which, we believe, was a factor in making it possible for over fifty (50) per cent of our farmers to pay out their contracts at the end of 1945.

In 1938, you will remember, the land assessments on the Lethbridge Northern were raised excessively and your Advisory Committee went to considerable trouble presenting facts and information to the Department of Municipal Affairs, with the result that we did get the proposed assessment reduced to the level of similar lands in other districts. However, this is a matter that will have to be dealt with again this year, and the new assessment that has been drafted to go into effect next year (according to the information that we have) is going to impose a hardship on irrigated land. We wish to ask for your co-operation and support to get this assessment reduced to a fair basis in comparison to dry land of a similar quality.

Ever since the Advisory Committee was set up we have been pressing for water storage. We have three outstanding sites for storage for the Lethbridge Northern, but while water storage does seem a little nearer today than it did ten years ago, it still is rather discouraging to see such slow progress being made when we consider the amount of money that has been spent on surveys. However, we have agreed that the St. Mary-Milk River project is more necessary at the moment, and have consistently pressed for the completion of this project before completing our own on the Castle and Oldman rivers.

Your Advisory Committee has consistently pressed, and we ask you to do the same at every opportunity, to have the Dominion and Provincial

Governments take more responsibility in river control work resulting from floods. In 1943 we spent \$35,897.51 in work designed to keep the Oldman River in its proper course. In 1944 we spent an additional \$22,984.30. Besides this we had to spend over \$14,000.00 to repair our flume and we still have to spend considerably more money on flood control. One does not need very much imagination to see that one district could be very easily bankrupted trying to take care of a problem that everyone in authority, while admitting it was a grave responsibility for an irrigation district to take care of, will not commit themselves to the responsibility of assisting in any way. Please assist your committee in every way possible as we have a good claim and the important things are only won by persistence.

Much of the time of your Advisory Committee has been taken up dealing with cases where the settlers are in arrears. When a settler gets too far in arrears of interest and rates, we have followed the policy of requesting that he be not dispossessed until we have had the opportunity of discussing his affairs with him personally for which purpose we meet two or three days each spring, when those who are losing ground are called in. We have usually recommended to the Colonization Manager that they be given another year so that no hardship will result to our settlers. However, when it has become clear that a settler has no possibility of catching up on his rates and interest, we have not hesitated to recommend that he be dispossessed to make way for some other settler (preferably the son of a farmer on the project) who should be better able to carry his full share of responsibility and pay his fair share of rates and taxes. If and when the Government sees fit to turn the District back to the farmers to operate, the rates unpaid by one party must be made up by the others who do pay.

The Advisory Committee has given full support to the rural electrification project for the Lethbridge Northern Irrigation District and hope that some move will be made this year, but feel that it will not be fully satisfactory unless it is operated by the Province as a public utility.

Your Advisory Committee has discussed with the officials of the District the possibility of starting a pension plan for the employees of the District. While this is very desirable, it will mean additional expenditure which, after all, must be met from the rates.

This report would not be complete if we did not make some mention of the undivided support and co-operation that has been obtained from the Official Trustee, Management and Staff of the Lethbridge Northern Irrigation District. Particularly do we wish to mention the Office Staff, who never find it too much trouble to dig up any information that we may want.

While, officially, your Advisory Committee has no more authority than it had when formed, during the past ten years gradually the Official

Trustee has delegated more and more responsibility to the Advisory Committee until today it is practically performing the functions of a Board of Trustees.

Lethbridge Northern Irrigation District Advisory Committee,
W. W. Scott, Chairman; W. R. Hughes, J. R. Hunt.

Report of the Secretary-Treasurer

Lethbridge, Alberta,
March 19, 1946.

P. M. Sauder, Esq., Official Trustee,
Lethbridge Northern Irrigation District,
Lethbridge, Alberta.

Sir.—I submit for your consideration my report for the year 1945.

The Provincial Debt Re-organization Act made provision for implementing its guarantee in respect of the debenture liability of the District. The District is now free of its \$5,400,000.00 Bonded Debt which had been guaranteed by the Province as to principal and interest.

There was a small reduction in irrigable area due to reclassification. Total rates collected from our ratepayers and waterusers amounted to \$113,632.59 leaving a balance in arrears of \$6,090.98 on water service rates.

The area sown to peas, beans, turnips, table beets, cabbage and carrots grown under contract for the canning factories in most cases made a handsome profit. A larger area was sown to sugar beets this year by 469 growers.

The following are the averages of the various subdivisions on the Lethbridge Northern:

Station	Acres Planted	Acres Harvested	Average Tons Per Acre
Turin	1,598	1,590	13.19
Iron Springs	928	921	11.05
Picture Butte	6,548	6,453	11.03
Diamond City	832	824	12.35
Whitney	983	959	11.96
Coalhurst	815	796	10.70
	11,704	11,543	11.95

The average tons per acre were slightly higher by .13 than in 1944. There was a shortage of labor during irrigation and harvesting seasons, this curtailed yields somewhat.

The trend of our farmers is to own their lands. In 1945, 136 farmers paid their water right contracts, making in all 514 parcels fully paid up as at December 31st, 1945.

It would be to the advantage of the farmers if we had canning, cheese and butter factories located in the District some time in the near future. This works in nicely with irrigation.

Again, I wish to thank our office staff, the Lethbridge Northern Colonization Manager staff, the Advisory Committee and the Ratepayers for their co-operation during 1945, and I hope that the Ratepayers have in 1946 as prosperous and successful a year as they had in 1944-45.

Respectfully submitted,

CHAS. N. HARVIE,
Secretary-Treasurer.

Report of the District Manager

Lethbridge, March 11th, 1946.

P. M. Sauder, Esq., Official Trustee,
Lethbridge Northern Irrigation District,
Lethbridge, Alberta.

Dear Sir.—Herewith I submit, for your information and consideration, a report of the work in the past year 1945, and an estimate of expenditures during 1946.

GENERAL CONDITIONS

During the late winter and early spring there were very strong winds and with this considerable soil drifting. By listing, etc., the damage to ditches was stopped in several areas, but in other places the ditches were filled and this caused a heavy expense cleaning out. Luckily rains came early and stopped drifting and it turned out very favorable for germinating and growing crops.

There was plenty of moisture in the spring, although a little cold at times, and crops got a good start. There were timely rains until the middle of June and then very little rain the balance of the season. There was very little irrigating until the first of July, but from then on there was a heavy demand, which would have been heavier if all farmers had prepared their ditches. As usual, when very little water is run in District ditches early in the season, there was a heavy growth of weeds and

grass which made it very difficult to run a full head. Keho Lake was filled early in the season as there was plenty of water in the river and no demand for it.

OPERATION AND MAINTENANCE STAFF

Two ditchriders were replaced during the year; one resigning around the first of the year and one in the fall.

RECORDS OF FLOW IN CANALS

Records of flow of the Main Canal and the larger branch canals were obtained as usual.

The total flow at the gauging station on the Main Canal, which is $2\frac{1}{2}$ miles north of the Oldman flume, was 111,307 acre-feet or an average of 285 cubic feet per second during the season. The flow at this station, located as it is near the beginning of the irrigable area, gives the quantity of water used in the District. Water was running in this canal from April 11th to October 24th. The highest flow was on May 6th to 8th when 665 cubic feet per second was running.

The total quantity of water diverted into the Monarch branch for Monarch and Commerce units was 29,395 acre-feet or an average of 87 cubic feet per second for the season. Water was turned into this canal from May 4th to October 20th. The highest stage was on July 28th and 29th when 458 cubic feet per second was running.

The total quantity of water diverted from Keho Reservoir through the Turin branch canal for Picture Butte, Albion Ridge and Turin units was 54,399 acre-feet or an average flow of 161 cubic feet per second for the season. The highest stage was on July 30th, when 545 cubic feet per second was run. The water was running in this canal from May 7th to October 23rd.

WATER DELIVERIES

The following schedule gives the summary of water deliveries, recorded by the ditchriders and watermasters, during 1945:

Unit	No. of Waterusers	No. of Parcels Served	No. of Acres Irrigated
Macleod	39	51	1,205
Monarch	169	194	7,445
Commerce	187	216	9,365
Picture Butte	173	215	17,015
Albion Ridge	119	143	8,885
Turin	132	189	10,801
	<hr/> 819	<hr/> 1,008	<hr/> 54,716

In addition to the above, the records show that 2,220 acre-feet of water was delivered to the Picture Butte reservoir for the use of the Sugar Factory.

The following schedule gives a comparison of the total irrigable areas and acres actually irrigated in the following years:

Unit	Total Irrigable Area	1942	1943	1944	1945
Macleod	5,284	89	2,552	2,449	1,205
Monarch	18,582	1,323	10,094	10,549	7,445
Commerce	15,806	9,257	12,396	14,362	9,365
Picture Butte	23,156	10,032	20,116	20,840	17,015
Albion Ridge	13,750	4,343	11,332	13,434	8,885
Turin	15,053	6,054	11,287	14,293	10,801
Totals	91,631	31,103	67,777	75,927	54,716

EXPENDITURES DURING 1945

In order to make a comparison and study, a schedule showing the expenditures for 1943, 1944, 1945 and an estimate for 1946 is attached. The headings of the accounts are the same as those used in former years and have been fully explained in former reports.

As capital expenditures are not directly comparable from year to year, a brief explanation of each item will be given. The expenditure, additional canals, is preparing for river protection work, additional structures, is for new delivery gate and pipe out of main canal, draining ditch in Section 10-11-24-4 and bridge, additional buildings, is for a garage at Goldridge, betterments to structures is for cut-off walls under concrete drops in Picture Butte and Turin units.

The expenditures for replacement of structures during 1945 were as follows:

Unit	Material	Wages	Total
Macleod	\$ 11.55	\$	\$ 11.55
Monarch	251.10	405.08	656.18
Commerce	681.62	1,076.08	1,757.70
Picture Butte	590.50	1,024.51	1,615.01
Albion Ridge	1,277.43	1,233.70	2,511.13
Turin	699.01	605.15	1,304.16
	\$3,511.21	\$4,344.52	\$7,855.73

In the foregoing summary, the expenditures are all for replacing small wooden structures.

The item farm bridges is supplying lumber for a farm bridge.

Under general administration the expenditures are much the same as last year.

A summary giving details of maintenance and operation expenditures is included in the Auditor's Report. It should be noted, however, that the Auditor's summary includes depreciation on equipment, whereas the summary attached to this report does not. In comparing 1945 expenditures with 1944, you will note our automobile costs are still high, but as

we have purchased a few new light deliveries and one new two ton truck and hope to get a few more, this item should be less for 1946.

Number one excavator worked all season in the Monarch and Commerce units and number two worked all season in the Albion Ridge unit. The item, maintenance and repairs to ditches, was very high this past season. This was caused by heavy expense cleaning drift out of ditches.

Expenditures for wages include \$3,313.92 refunded to the District for dwelling accommodation. It is offset by a corresponding amount credited in revenue.

The expenditures for equipment include one new two ton truck, one new light delivery, one new power mower, one tractor plow and one horse mower.

During 1945 ten horses were sold and two died. Three colts were born. A good profit was made in farm operations in 1945.

ESTIMATES FOR 1946

The estimated capital expenditures are as follows: Under additional canals and structures this is for a new ditch near Iron Springs; under betterments to structures the estimate here is for carrying on with cut-off walls under concrete structures. Under betterments to buildings the estimate is for a cistern in Picture Butte unit that was not constructed last year, and under replacement of structures the estimate is for replacing small wooden structures that are beyond repair.

The estimate for general administration is approximately the same as expenditures last year. This should be correct as the two items that have been increased in the last couple of years will more than likely be the same as last year's expenditures.

In estimating for maintenance and operation, a large amount still has to be provided for as the cars are old and need considerable repairs. There is also under maintenance and repairs to ditches an amount for dragline work on ditches. The estimate provides for running both excavators all season.

Provision is made for compensation for seepage damage.

Under equipment, the estimate provides for the purchase of eight new light deliveries and small tools.

SERVICE CHARGE

The total assessable area is estimated for 1946 to be about 91,500 acres. As this district will have to purchase new equipment to clean ditches and this will be expensive, we will require money to carry on and purchase this equipment, I recommend that the service charge be \$1.35 per acre for 1946.

Respectfully submitted,

C. S. CLENDENING,
District Manager.

**SCHEDULE SHOWING COMPARISON OF EXPENDITURES IN 1943, 1944 AND 1945,
AND ESTIMATE FOR 1946**

	Expenditure 1943	Expenditure 1944	Expenditure 1945	Estimate 1946
Capital Expenditure:				
Additional Canals	\$ 5,276.37	\$ 22,984.30	\$ 81.84	\$ 300.00
Additional Structures	50.00	4.31	2,009.74	200.00
Additional Buildings	475.22	74.30	164.83	
Betterments to Structures	30,657.60	4,122.16	2,593.42	1,800.00
Betterments to Buildings	212.94		15.80	250.00
Replacement of Structures	7,071.45	8,102.93	7,855.73	7,200.00
Fencing	56.40	Cr. 100.00		
Lands	50.00	40.00		
Farm Bridges	216.74	73.28	87.94	200.00
TOTAL	\$44,516.84	\$35,301.28	\$12,809.30	\$9,950.00
General Administration:				
Salaries	4,634.66	4,841.80	4,651.50	4,700.00
Advisory Committee	445.40	490.72	431.28	500.00
Travelling Expenses	3.70		4.05	5.00
Ratepayers' Meetings	17.00	23.10	15.00	15.00
Legal Expenses	56.30	57.25	57.15	60.00
Rent, Light, Janitor	420.00	420.00	420.00	420.00
Stationery and Printing	343.82	330.98	435.68	350.00
Drafting & Eng. Supplies	Cr. 498.46	Cr. 400.28	Cr. 648.75	
Postage and Excise	361.65	354.40	327.05	350.00
Telephone and Telegrams	178.38	151.87	165.15	150.00
Interest & Bank Charges	265.19	485.10	531.38	300.00
Main. & Rep. to Equipment	19.65	20.30	41.39	20.00
Auditing	400.00	400.00	557.30	550.00
Insurance	26.50	30.87	39.68	30.00
Workmen's Compensation	1,102.44	1,357.10	1,319.99	1,350.00
Sundry	113.15	184.00	242.60	200.00
TOTAL	\$7,889.38	\$8,747.21	\$8,590.45	\$9,000.00
Maintenance and Operation:				
Headquarters	10,333.58	10,071.57	10,281.32	10,255.00
Macleod Unit	10,943.24	11,556.81	11,910.65	10,795.00
Monarch Unit	16,803.31	14,344.19	21,364.38	14,330.00
Commerce Unit	13,934.25	13,722.86	12,346.38	15,370.00
Picture Butte Unit	11,990.75	18,560.13	15,207.87	16,355.00
Albion Ridge Unit	11,575.74	10,828.43	11,837.73	11,535.00
Turin Unit	10,825.00	10,681.86	11,832.65	13,050.00
Easement Rental	867.05	895.61	868.39	900.00
TOTAL	\$87,272.92	\$90,662.46	\$95,649.37	\$92,590.00
Seepage	2,541.70	1,648.23	2,678.02	8,000.00
Equipment	4,058.70	3,183.22	2,896.36	22,700.00
Horses	Cr. 611.80	Cr. 866.61	Cr. 610.00	
Farm Operations	Cr. 3,452.32	Cr. 4,959.17	Cr. 5,301.59	
GRAND TOTAL	\$142,215.42	\$133,716.62	\$116,691.96	\$142,240.00

Auditor's Report

Edmonton, March 14, 1946.

P. M. Sauder, Esq., Official Trustee,
Lethbridge Northern Irrigation District,
Lethbridge, Alberta.

I have audited the books and records of the Lethbridge Northern Irrigation District for the year ended December 31, 1945. The following statements and schedules are submitted herewith:

<i>Statement</i>	<i>Particulars</i>
A.	Balance Sheet.
B.	Statement of Capital Surplus.
C.	Statement of Revenue Surplus.
D.	Statement of Revenue and Expenditure.

Schedule

1. Maintenance and Operation Expenses by Units.
2. Administration and General Expenses.

The Government of the Province of Alberta by authority of Chapter 1, Statutes of Alberta, 1945, (Second Session), The Provincial Debt Reorganization Act, made provision for implementing its guarantee in respect of the debenture liability of the District. The effect of this Act together with Chapter 102, Revised Statutes of Alberta 1942, The Lethbridge Northern Colonization Act is to relieve the District of its debenture liability and the charges appertaining thereto. As at the date of this report debentures aggregating \$281,000.00 of a total issue of \$5,400,000.00 remained outstanding in the hands of the public.

RESULT OF OPERATIONS

Operations for the year ended December 31, 1945, resulted in an excess of revenue over expenditure of \$9,166.33 as compared with \$12,104.11 for the previous fiscal year. Details of operations are shown on Statement D and accompanying Schedules.

The 1945 water levy amounting to \$120,699.05 is comprised of current levies, \$115,463.02, and penalties, \$5,236.03, and is based on 91,426.18 acres at \$1.25 and 255.4 acres at \$4.62. The latter rate includes a water right levy of \$3.37 in respect of lands subject to full rates.

Maintenance and operation expenses amounted to \$100,286.73 as shown on Schedule 1, a decrease of \$6,100.76 as compared with the previous year.

Administration and general expenses amounted to \$8,678.60 as detailed on Schedule 2, compared with \$8,894.96 for the previous year.

FINANCIAL POSITION

The financial position of the District is set forth on the attached Balance Sheet, Statement A, and the following comments are submitted for your information:

Capital Assets—

The irrigation system has been valued for Balance Sheet purposes at \$3,355,898.95 being the original cost less the reserve provided by the retirement of short term debentures and the sinking fund available as at June 1, 1945 to retire the outstanding debenture liability.

Revenue Assets—

The District exchanged the Province of Alberta debentures held as investments for new debentures in the same principal amount under the debt reorganization programme of the Province. The adjustments of interest, both current and deferred, offered by the Province have been credited to the Reserve for Maintenance and Contingencies, the Reserve for Water Service Commutation and current operations in the proportion of their respective investments.

Bonds and debentures were held by the Treasury Branch, Lethbridge, as collateral for loans and were verified by actual examination. Investments are shown at par value in respect of the new issue of Province of Alberta debentures and at original cost for the Province of Saskatchewan and Dominion of Canada debentures. The investments are summarized as follows:

	<i>Par Value</i>	<i>Book Value</i>
Province of Alberta Debentures	\$93,500.00	\$93,500.00
Province of Saskatchewan Debentures	26,000.00	24,830.00
Dominion of Canada Debentures	11,100.00	11,100.00
	<hr/>	<hr/>
	\$130,600.00	\$129,430.00
Accrued Interest		533.95
	<hr/>	<hr/>
	\$130,600.00	\$129,963.95

Inventories of \$24,539.41 were supported by detailed lists and certified as to quantities and values by responsible officials of the District.

Rates on lands subject to full charges, \$69,745.45, are considered uncollectible and have been reserved for in full.

Trust Assets—

Charges in lieu of rates due from waterusers amounted to \$6,090.98 and are offset by a liability to the Provincial Treasurer.

Revenue Liabilities—

Transactions affecting the maintenance and contingencies reserve during the year ended December 31, 1945 are as follows:

Reserve, as at January 1, 1945 \$75,752.29

Add:

Provision for the year ended Dec. 31, 1945	\$5,000.00	
Earnings from investments, including adjustment of interest upon exchange of Province of Alberta Debentures under the Debt Reorganization Programme..	31,435.93	36,435.93
		<hr/>

Reserve, as at December 31, 1945 \$112,188.22

The District has a contingent liability in respect of undertermined seepage damages.

General—

Subject to the foregoing, I certify that, in my opinion, the attached Balance Sheet is properly drawn up so as to show the true financial position of the Lethbridge Northern Irrigation District as at December 31, 1945 according to the information and explanations given to me and as shown by the books of the District, and the accompanying Statement of Revenue and Expenditure correctly sets forth the result of operations for the year ended at that date.

C. K. HUCKVALE, C.A.,
Provincial Auditor.

LETHBRIDGE NORTHERN IRRIGATION DISTRICT

Balance Sheet as at December 31, 1945

Statement A.

ASSETS

Capital—

Irrigation System	\$3,355,898.95
Equipment and furniture, at cost less reserve	18,355.65

\$3,374,254.60

Revenue—

Cash on Hand	749.21
Cash in Bank	10,061.43
Accounts Receivable, Less Reserve	4,609.44
Agreements for Sale, Less Reserve	400.00

Bond Interest Receivable—

Current	\$17,638.03
Deferred	12,715.85
	<hr/>
	30,353.88

Investments—

Bonds and Debentures, at book value, and Accrued Interest	129,963.95
--	------------

Inventories—

Farm products and feed, market value	\$12,220.84
Cattle, market value	5,785.00
Lumber and materials, at cost	6,533.57
	<hr/>
	24,539.41
Prepaid expenses	1,172.30
Rates on lands subject to full charges	\$69,745.45
Less: Reserve	69,745.45
	<hr/>

\$3,576,104.22

Trust—

Cash on Hand	2,087.58
Charges in lieu of rates due from waterusers	6,090.98
	<hr/>
	8,178.56

\$3,584,282.78

LETHBRIDGE NORTHERN IRRIGATION DISTRICT

Balance Sheet as at December 31, 1945

Statement A (continued)

LIABILITIES

Capital—

Capital surplus as per Statement B	\$3,374,254.60
	<hr/>
	\$3,374,254.60

Revenue—

Accounts payable	\$ 101.21	
Treasury Branch overdraft	6,047.22	
Treasury Branch demand loan	10,000.00	
	<hr/>	16,148.43

Reserves—

Maintenance and contingencies	\$112,188.22	
Water service commutation, principal and excess earnings	17,937.99	
	<hr/>	130,126.21
Provincial Treasurer, rates		1,111.91
Revenue surplus as per Statement C		54,463.07
		<hr/>

\$3,576,104.22

Trust—

Provincial Treasurer, charges in lieu of rates	8,178.56
--	----------

\$3,584,282.78

This is the Balance Sheet referred to in my report addressed to the Official Trustee dated March 14, 1946.

C. K. HUCKVALE, C.A.,
Provincial Auditor.

LETHBRIDGE NORTHERN IRRIGATION DISTRICT

Statement of Capital Surplus as at December 31, 1945

Statement B.

Capital Surplus:

Arising from provisions of Chapter 1, Statutes of Alberta 1945 (Second Ses- sion) and Chapter 102, Revised Sta- tutes of Alberta 1942	\$5,400,000.00	
Less: Sinking Fund cash and investments at June 1, 1945 retained by Province..	<u>2,199,230.58</u>	\$3,200,769.42
Arising from capital assets provided from revenue funds		167,162.57
Arising from capital assets provided from Province of Alberta grants		<u>6,322.61</u>
Capital surplus as at December 31, 1945		\$3,374,254.60

LETHBRIDGE NORTHERN IRRIGATION DISTRICT

Statement of Revenue Surplus for the year ended December 31, 1945

Statement C.

Revenue surplus as at January 1, 1945		\$16,227.44
Add—		
Excess of revenue over expenditure for the year ended December 31, 1945	\$9,166.33	
Accrued interest reversed upon provision by the Province for retirement of the District's debenture liability	26,630.15	
Adjustment of capital surplus arising from equipment provided from revenue funds....	<u>2,439.15</u>	38,235.63
Revenue surplus as at December 31, 1945		\$54,463.07

LETHBRIDGE NORTHERN IRRIGATION DISTRICT

Statement of Revenue and Expenditure for the year ended Dec. 31, 1945

Statement D.

REVENUE

Water Service Rates—

Province of Alberta	\$113,741.34	
Lands subject to full rates	6,415.98	
Commutation fund payments	541.73	
	<hr/>	
	\$120,699.05	
Revenue from investments	11,854.37	
Farming operations, net revenue	5,301.59	
Dwelling rentals	3,313.92	
Special water charges	2,434.92	
Miscellaneous	905.75	
	<hr/>	
		\$144,509.60

EXPENDITURE

Replacement of structures	\$7,855.73	
Additions and betterments to structures and buildings	4,953.57	
Maintenance and operation, Schedule 1	100,286.73	
Administration and general, Schedule 2	8,678.60	
Seepage damage	2,678.02	
Provision for uncollectible rates on lands subject to full charges	5,890.62	
Provision for maintenance and contingen- cies reserve	5,000.00	
	<hr/>	
		135,343.27
Excess of revenue over expenditure for the year ended December 31, 1945		<hr/>
		\$9,166.33

LETHBRIDGE NORTHERN IRRIGATION DISTRICT

Administration and General Expenses for the year ended Dec. 31, 1945

Salaries	\$4,651.50
Workmen's Compensation	1,319.99
Audit Fee	557.30
Interest and Bank Charges	531.38
Printing and Stationery	435.63
Advisory Committee	431.28
Rent, Light, Water and Janitor	420.00
Postage	327.05
Telephone	165.15
Depreciation on Equipment and Furniture	88.15
Legal Expenses	57.15
Repairs to Equipment	41.39
Insurance	39.68
Ratepayers' Meetings	15.00
Miscellaneous	246.65
Drafting and Engineering Supplies	Cr 648.75
	<hr/>
	\$8,678.60

LETHBRIDGE NORTHERN IRRIGATION DISTRICT **MAINTENANCE AND OPERATION EXPENSES BY UNITS FOR THE YEAR ENDED DECEMBER 31, 1945**

	Headquarters	Macleod	Monarch	Commerce	Pic. Butte	Albion Ridge	Turin	TOTAL
Salaries and Wages	\$8,586.69	\$7,581.47	\$10,796.87	\$8,326.20	\$8,342.46	\$5,559.40	\$6,531.36	\$55,724.45
Automobile Expense	1,361.29	2,088.15	3,095.96	1,963.85	2,673.42	1,901.35	2,655.98	15,740.00
Horse Expense		342.91	331.83	221.82	220.77	710.73	434.33	2,262.39
Insurance	23.70	18.12	85.51	30.64	29.07	16.02	18.48	221.54
Maintenance and Repairs:								
Equipment	9.62	137.94	Cr.	102.14	253.83	Cr.	59.36	471.34
Buildings	37.51	85.90	170.42	46.84	110.21	88.08	115.29	654.25
Ditches		55.76	3,200.43	70.04	2,400.05	34.25	1,127.16	6,887.69
Structures		1,389.08	874.90	886.16	271.00	378.27	341.15	4,140.56
Fences		Cr. 5.50	16.94	4.25		17.55	1.75	34.99
Telephone	75.71	172.36	261.79	182.62	300.37	155.74	109.09	1,257.68
Travelling	142.55	12.20	4.85	1.00		1.50		162.10
Ditching Machines				256.58	147.60	2,550.27	5,507.93	5,507.93
Depreciation on Equipment	Cr. 178.80	433.81	731.46	616.19	1,130.30	1,281.45	622.95	4,637.36
Taxes and Rates				26.30	322.03	322.04	322.02	992.39
Easement Rentals	868.39							868.39
Weed Cutting		18.85	23.04	222.69	112.36	83.98	110.48	571.40
Ditch Bank Seeding		1.00			20.00	30.00		51.00
Miscellaneous	44.25	12.41	9.78	5.25	4.70	18.68	6.20	101.27
	<u>\$10,970.91</u>	<u>\$12,344.46</u>	<u>\$22,095.84</u>	<u>\$12,962.57</u>	<u>\$16,338.17</u>	<u>\$13,119.18</u>	<u>\$12,455.60</u>	<u>\$100,286.73</u>

A42188